

BREAK IN COPPER FLURRIES MARKET

Cut. Though Expected. Adds to
Halting Attitude of
Manufacturers.

PRODUCERS LOWER PRICES

**Big Sellers Quote 17 1/4 Cents,
but Concessions Fail to
Affect Market.**

Copper producers lowered their umbrellas yesterday after having maintained them on the market for the past week. The quoted price of 17 cents for the metal, a pound, is 17 cents, 30 days. This reduction was general, and by the end of the day the United Metals Selling Company, Phelps, Dodge & Co. and the American Smelting and Refining Company were all quoting this price for domestic business. So far as could be ascertained no important tonnages had been booked at the new price level, which was taken as an indication in some quarters that further concessions would be in order before long.

Those copper consumers who read this column in the Sunday Sun were surprised at yesterday's action in readjusting prices, for it was predicted that in the event of no new buying orders lower quotations would surely prevail. This was not a haphazard guess, but was the consensus of opinion of some of the largest producers and sellers of the metal in the United States.

Following their usual mode of procedure the producers through their foreign agents first lowered quotations at various European market points in an effort to find a selling basis. The long-established quotations of the amalgamated agency of 82 pounds sterling in London and 160 marks for copper were established by the London Company in Germany, were passed along the New York exchange of 17 1/4 cents a pound followed. In London this was \$10. Owing to the fact that the foreign business day commences several hours earlier than our own it was a simple matter for the European representatives of the American sellers of copper to notify their principals by private cables of the cheap offerings. The first real indication that a break might be expected during the day came in the early quotations of the London Metal Exchange, where standard copper was quoted down over a pound sterling, bringing both spot and futures to the lowest level in many weeks.

The trade for the past week or ten days had been filled with rumors that one or another of the important sellers of copper had broken away from the 17 1/4 cent asking price, but none of these could be traced to a reliable source. It did develop, however, that on Saturday small sales of electrolytic had been booked at 17 1/4 cents a pound.

Earlier than usual new buying yesterday brought about demoralization among consumers. While they had been failing for lower quotations, manufacturers were unprepared when the break finally came, and found themselves in a position to bid up from their holdout position. One producer told the Sun last night that he could have booked considerable copper yesterday had he been willing to quote 16 1/2 cents a pound, but such quotations he considered at the moment altogether out of the question.

Consumers have considerable business already booked ahead based on high copper metal prices, and it will be interesting to watch developments there pending further price changes by the producers. It has been suggested that should copper metal break wide open there will be cancellation of orders for finished goods unless the manufacturers readjust their prices to conform to the new condition in the copper metal market.

A big bear interest has taken time by the tortoise and has been holding short positions on the London Metal Exchange for short accounts. This action has materially disturbed the situation. A cautious suggestion came to hand yesterday in the remark that possibly some of the copper trade who had gone short of standard warrants in London may have financed the Balkan war, for with the start of that European disturbance stated the commencement of lack of interest by foreign consumers of the metal.

L. V. L. is one of the best informed men in the trade, yesterday made known the results of his investigation on the world's production and consumption of copper. Output he placed at 160,000 tons and consumption at 160,000 tons. By countries, the production and consumption he figured as follows (long tons):

PRODUCTION

1911-12..... 1,911,000 1,910,000
1909-10..... 1,909,000 1,908,000
1908-9..... 1,908,000 1,907,000

Germany..... 1,909,000 1,908,000
Austria-Hungary..... 1,909,000 1,908,000
France..... 1,909,000 1,908,000
England..... 1,909,000 1,908,000
Spain and Portugal..... 1,909,000 1,908,000
Belgium..... 1,909,000 1,908,000
Switzerland..... 1,909,000 1,908,000
Denmark and Norway..... 1,909,000 1,908,000
Iceland..... 1,909,000 1,908,000
Austro-Hungary..... 1,909,000 1,908,000
Russia..... 1,909,000 1,908,000
Brazil..... 1,909,000 1,908,000
Argentina..... 1,909,000 1,908,000
Other countries..... 1,909,000 1,908,000

Total..... 1,909,000 1,908,000

CONSUMPTION

1911-12..... 1,911,000 1,910,000
1909-10..... 1,909,000 1,908,000
1908-9..... 1,908,000 1,907,000

Germany..... 1,909,000 1,908,000
Austria-Hungary..... 1,909,000 1,908,000
France..... 1,909,000 1,908,000
England..... 1,909,000 1,908,000
Spain and Portugal..... 1,909,000 1,908,000
Belgium..... 1,909,000 1,908,000
Switzerland..... 1,909,000 1,908,000
Denmark and Norway..... 1,909,000 1,908,000
Iceland..... 1,909,000 1,908,000
Austro-Hungary..... 1,909,000 1,908,000
Russia..... 1,909,000 1,908,000
Brazil..... 1,909,000 1,908,000
Argentina..... 1,909,000 1,908,000
Other countries..... 1,909,000 1,908,000

Total..... 1,909,000 1,908,000

STEEL COMPANIES BUSY

Are Working Hard on Back Orders
and Are Glad of Market's Lull.

Contrary to the general belief steel companies welcome rather than deplore the recent fall off in steel business, as it gives them time to catch up with specifications and straighten out some of the tangles resulting from the fall months. Plant organization has been somewhat demoralized as a result of the constant feverish efforts to keep pace with the orders booked in the market. With orders lighter than normal, it is probable that deliveries will soon be on a normal basis, whereas at present they are very far behind schedules. It was said that last week specifications were the heaviest for any week in recent years. It is probable that many orders tentatively before the market at present will not be booked until consumers can be reasonably sure of getting deliveries approaching to contract rates. It is thought that a balance volume of business awaits the ability of mills to catch up.

The American Bridge Company has booked a contract for 7,000 tons of steel with the Marshall Field Company Building of Chicago. The Bridge company has secured a contract for 6,000 tons for a Boston pier. There is a tremendous volume of structural steel contracts pending, estimated at about 300,000 tons in all districts.

The Grand Trunk Railway equipment orders in 1912 totalled 7,000 cars and 100 locomotives, of which nearly 4,000 cars will be delivered this year, while a number of locomotives ordered will not be filled until next summer. Orders for Grand Trunk's subsidiary totalled over 2,000 cars.

It is reported that Southern pig iron dealers are shelling prices on all four grades of iron at 15 1/2 tons per ton for No. 2 foundry, which is 50 cents a ton below the market; but it is said that such buyers are holding back, as there is a relative value premium in showing the increases from year to year.

Stocks of copper in England, France, Hamburg and Rotterdam, as per foreign statistics, were:

Tons.... Tons....

December 31, 1911..... 80,750 24,050

December 31, 1912..... 33,041 25,702

THE GRAIN MARKETS

Wheat Advances on Good Export and Cash Sales.

Wheat prices touched new high levels for the second consecutive week, while May went to 54 1/4 and June to 55 1/2, the strength being due to the excellent cash demand for milling purposes and reports of further large export sales, including some in the Southwest. Although there was some profit taking and some heavy selling early in the season in an attempt to reduce the advances, the market was very resistant. The prospects of a renewal of war in the Balkans was a bullish factor, but the greatest strength resulted from the smaller increase in visible supply than expected. Wheat only increased \$45,000 bushels, whereas it had been expected that it would be 200,000 bushels. Further good sales, four were reported at Memphis, although not as heavy as last week, the depressing development was the Bremen oil estimate that the exportable surplus from Argentina would be 144,000,000 bushels, a considerable increase over earlier estimates, but in view of the con-

sition of good export buying here and the large foreign acceptances this was considered. It was also pointed out that the European markets have been very firm, and that the demand from Europe will be large enough to take the increased offerings from South America and our own too.

Although country offerings were heavy and had early effect on prices corn advanced with wheat yesterday, and the same pattern of those bullish inclined before it went to 45 were continued by shorts who covered freely. It is believed there was some profit taking, but it only retarded the upward movement a short time.

Cotton failed to respond fully to the advance in other grains, but the support was not very great, while there was some pressure. The specimens were mixed.

Winter wheat reports indicate that the recent drought was not as damaging as was thought during the course of the dry weather, while with scattered storms every few days in various parts of the belt probably to provide a blanket against the extreme cold that has been prevalent over the far West.

The visible supply statement showed that the supply is now the largest in twelve years at this season of the year. Domestic wheat totals 65,187,000 bushels, an increase of \$85,000 bushels; bonded wheat, 6,425,000 decrease of \$5,000; the total domestic and foreign market also was 62,110,000 bushels in 6,224,000, an increase of 55,000, as compared with 53,328,000 last year, domestic oats, 8,792,000, an increase of 525,000, and bonded oats, 238,000, a decrease of \$1,000, as compared with total oat visible of 17,246,000 bushels last year, 18,100,000 bushels; domestic barley, 3,647,000, and bonded oats, 187,000.

Chicago wheat prices follow:

	Open	High	Low	Clos	Prev
Wheat	190	191	190	191	190
July	189	190	190	190	190
September	190	191	190	191	190
October	190	191	190	191	190
May	190	191	190	191	190
July	190	191	190	191	190
September	190	191	190	191	190
October	190	191	190	191	190
Now	190	191	190	191	190
May	190	191	190	191	190
July	190	191	190	191	190
September	190	191	190	191	190
October	190	191	190	191	190
Now	190	191	190	191	190

Canadian wheat prices follow:

	Open	High	Low	Clos	Prev
Wheat	189	190	189	190	189
July	189	190	189	190	189
September	189	190	189	190	189
October	189	190	189	190	189
Now	189	190	189	190	189
May	189	190	189	190	189
July	189	190	189	190	189
September	189	190	189	190	189
October	189	190	189	190	189
Now	189	190	189	190	189

Other wheat markets:

	Open	High	Low	Clos	Prev
July	189	190	189	190	189
September	189	190	189	190	189
October	189	190	189	190	189
Now	189	190	189	190	189

Cotton was weak all through the season and the occasional rallies were neither extensive nor long lived, although there were some developments of a bullish character. The principal cause of weakness was the very pessimistic view of results of the coming change in the national Government taken by a large number of traders, especially those connected with Wall Street houses. The weakness in stocks and the unfavorable turn peace negotiations in London had taken were other factors working on the side of easy prices. It was said by some that fundamental conditions were all in favor of higher prices, but that the market was overbearish and was likely to undergo a possible unfavorable turn. At the low of the day the near options excepting January went below the lowest point touched since November. There was a short spurt of bullish sentiment following rumors that recent gains had been very small, but it was of little value and was more offset by reports that the trading spot interests were selling out quietly.

There was some covering of shorts on the declines in the nature of profit taking, but the short interest in still very large and actively working for lower prices.

There was some buying for spinners,

and Southern spot markets were mostly firm, but it was difficult to extract the influence of these developments to any extent.

There was a big increase off buying in spinning, as a big increase in acreage next summer is expected.

The summary:

	Open	High	Low	Clos	Prev
Wheat	190	191	190	191	190
July	190	191	190	191	190
September	190	191	190	191	190
October	190	191	190	191	190
Now	190	191	190	191</	